

COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

PURCHASED WATER ADJUSTMENT OF
PENDLETON COUNTY WATER DISTRICT

)
) CASE NO. 95-290

O R D E R

On July 14, 1995, Pendleton County Water District ("Pendleton Water") filed an application with the Public Service Commission ("Commission") for the purpose of adjusting its rates pursuant to the purchased water adjustment procedure. KRS 278.015 and 807 KAR 5:068. On July 28, 1995, the Commission issued an Order approving a purchased water adjustment of 16 cents per 1,000 gallons and new rates for services rendered on and after June 15, 1995. Pursuant to the Order, Pendleton Water was to file with the Commission within 30 days a revised tariff setting out the approved rates, as well as verification that notice had been given to its customers.

While the Commission received Pendleton Water's revised tariff on August 7, 1995, verification that Pendleton Water had given notice to its customers was not received. On October 17, 1995, Commission Staff by letter reminded Pendleton Water that it had been ordered to file verification that notice to its customers had been given. On November 1, 1995, Pendleton Water informed the Commission by letter that it "did not file verification to its customers due to a misunderstanding." Pendleton Water requested a deviation from 807 KAR 5:068, Section 5, on the grounds that to publish notice now would "only confuse our customers being the rate has been in effect since June 16, 1995."

According to 807 KAR 5:068, Section 5:

The water district shall notify its customers of any increase in rates resulting from a supplier increase no later than the rendering of the first bill at the increased rate.

807 KAR 5:068 has no deviation provision. Due process requires that a utility's customers be notified of any rate increase. For this reason Pendleton Water's request for a deviation from 807 KAR 5:068, Section 5, should be denied. Pendleton Water should mail a copy of the notice contained in the Appendix to all of its customers, or have the notice published in a newspaper of general circulation in its service area. It should then file verification with the Commission that notice has been so given.

IT IS THEREFORE ORDERED that:

1. Pendleton Water's request for a deviation from 807 KAR 5:068, Section 5, is denied.

2. Pendleton Water shall mail a copy of the notice contained in the Appendix to all of its customers, or have the notice published in a newspaper of general circulation in its service area, within 30 days of the date of this Order.

3. Pendleton Water shall file verification that the notice to its customers has been given within 30 days of the date of this Order.

Done at Frankfort, Kentucky, this 20th day of December, 1995.

PUBLIC SERVICE COMMISSION

Spida K. Breunthitt
Chairman

1
Vice Chairman

Robert M. Davis
Commissioner

ATTEST:

Don Mills
Executive Director

APPENDIX

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 95-290 DATED 12/20/95

LEGAL NOTICE

Pendleton County Water District hereby gives notice that on July 14, 1995, it filed an application with the Public Service Commission for the purpose of adjusting its rates pursuant to the purchased water adjustment procedure. KRS 278.015 and 807 KAR 5:068. Pendleton County Water District requested a rate increase because of a June 1, 1995, increase in rates by one of its wholesale water suppliers, Campbell County Water District.

807 KAR 5:068, Section 5, requires a water district to notify its customers of any increase in rates resulting from a supplier increase no later than the rendering of the first bill at the increased rate. Due to inadvertence on the part of Pendleton County Water District, its customers were not notified of the proposed increase. It has been ordered by the Public Service Commission to give notice at this time.

The rates listed below were approved for Pendleton County Water District by the Public Service Commission on July 28, 1995, for services rendered on and after June 15, 1995.

RATE SCHEDULE

Residential Customers

First 2,000 gallons (Minimum Bill).....	\$11.33
Next 3,000 gallons per 1,000 gallons.....	\$5.29
Next 10,000 gallons per 1,000 gallons.....	\$5.19
Over 15,000 gallons per 1,000 gallons.....	\$5.02

Griffin Industries, Inc.

First 400,000 gallons (Minimum Bill).....	\$2,011.80
Over 400,000 gallons per 1,000 gallons.....	\$5.02

Pendleton County High School

First 125,000 gallons (Minimum Bill).....	\$628.68
Over 125,000 gallons per 1,000 gallons.....	\$5.02